



PROPOSED RULE MAKING

CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Labor and Industries

- ☒ **Preproposal Statement of Inquiry was filed as WSR 07-15-071 ; or**
☐ **Expedited Rule Making--Proposed notice was filed as WSR; or**
☐ **Proposal is exempt under RCW 34.05.310(4).**

- ☒ **Original Notice**
☐ **Supplemental Notice to WSR**
☐ **Continuance of WSR**

Title of rule and other identifying information: 2008 Industrial Insurance Premium Rates
 Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance

This rule proposal will amend the tables of classification base premium rates, experience rating plan rates and factors, and retrospective rating plan size groupings for the workers' compensation insurance program for calendar year 2008. New classification base rates were calculated based on updated loss and payroll experience resulting in a proposed overall average 3.2 percent increase in the premium rates. It also fully implements the deferred changes in 2007 to the experience rating plan.

Hearing location(s):

See Attachment A for hearing locations, dates and times.

Date:

Time:

Submit written comments to:

Name: Ronald Moore, Program Mgr, Employer Services
 Address: P O Box 44140 Olympia, WA 98504-4140
 e-mail mooa235@lni.wa.gov
 fax (360)902-4748 by Nov. 6, 2007, 5 p.m.

Assistance for persons with disabilities: Contact

Office of Information and Assistance by Oct 10, 2007

TTY (360) 902-5797

Date of intended adoption: November 20, 2007

(Note: This is NOT the effective date)

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

This rule proposal will amend the tables of classification base premium rates, experience rating plan rates calculations and factors, and retrospective rating plan size groupings for the workers compensation insurance program for calendar year 2008. New classification base rates were calculated based on updated loss and payroll experience resulting in a proposed overall average 3.2 percent increase in the premium rates. The increase is a result of medical cost inflation and increases in the average state wages. Changes to the experience rating calculations that were deferred for employers that had lower rates under the plan prior to 2007 have now been fully implemented.

This proposal specifically amends sections WAC 296-17-855, WAC 296-17-87305, WAC 296-17-875, WAC 296-17-880, WAC 296-17-885, WAC 296-17-890, WAC 296-17-895, WAC 296-17-89502, WAC 296-17-89504, WAC 296-17-90492, and WAC 296-17-920. WAC 296-17-891 and WAC 296-17-86505 are repealed. See Attachment B.

Reasons supporting proposal: Insurance base rates and experience rating tables are being modified to reflect changes in loss data associated with the classification and rating plan from the previous 2007 rating period. Washington law provides that rates should be adjusted annually to reflect the hazards of each industry and in accordance with the rating plan. Similarly the rating plan is revised to recognize changes within the industry groups.

Statutory authority for adoption: RCW 51.16.035 (Base Rates), RCW 51.32.073 (Supplemental Pension), RCW 51.08.010 (Retrospective Rating) and RCW 51.04.020(1) (General Authority)

Statute being implemented: RCW 51.16.035, RCW 51.32.073, RCW 51.18.010 and RCW 51.04.020(1)

Is rule necessary because of a:

Federal Law?

☐ Yes ☒ No

Federal Court Decision?

☐ Yes ☒ No

State Court Decision?

☐ Yes ☒ No

If yes, CITATION:

DATE

September 7, 2007

NAME

Judy Schurke

SIGNATURE

Judy Schurke

TITLE

Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
 STATE OF WASHINGTON
 FILED

DATE: September 07, 2007

TIME: 2:16 PM

WSR 07-19-015

(COMPLETE REVERSE SIDE)

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization)

Department of Labor and Industries

☐ Private
☐ Public
☒ Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting..... Bill Moomau	Tumwater, WA	(360) 902-4774
Implementation.... Ronald Moore	Tumwater, WA	(360) 902-4748
Enforcement..... Robert Malooly	Tumwater, WA	(360) 902-4209

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

☐ Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

☒ No. Explain why no statement was prepared.

In this rulemaking the agency is exempt from preparing a SBEIS when the proposed rules set or adjust fees or rates pursuant to legislative standards. This exemption is described in RCW 34.05.310(4)(f).

Is a cost-benefit analysis required under RCW 34.05.328?

☐ Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

☒ No: Please explain: In this rulemaking, the agency is exempt from conducting a CBA since the proposed rules set or adjust fees or rates pursuant to legislative standards described in RCW 34.05.328(5)(b)(vi).